



Department of Justice

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FOR IMMEDIATE RELEASE
Wednesday, October 19, 2005
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DAYTON MAN SENTENCED TO PRISON FOR TAX EVASION

DAYTON - Walter M. Maken, 62, of Dayton, Ohio, a former employee of Joyce-Dayton Corporation and a freelance photographer, was sentenced today to a term of 30 months imprisonment. He was ordered from the courtroom in the custody of the U.S. Marshals Service, and ordered to pay \$25,644 plus penalties and interest as restitution to the Internal Revenue Service.

Eileen J. O'Connor, Assistant Attorney General, Tax Division, and Gregory G. Lockhart, United States Attorney for the Southern District of Ohio, announced the sentence handed down last night by Senior United States District Judge Walter H. Rice, Jr. at the conclusion of a four-hour sentencing hearing.

A District Court jury convicted Maken after a two-week trial in April, 2004 of one count of willful failure to file a federal income tax return for 1993 and one count of attempted evasion of 1994 federal income taxes. In addition, Judge Rice sentenced Maken to three years of supervised release following his prison term, 100 hours of community service, and the costs of prosecution.

According to the scheme set forth in the indictment and the evidence introduced at trial, Maken failed to file a federal income tax return for the calendar years 1993 and 1994. In addition, Maken tried to mislead the IRS and conceal his income by submitting false W-4 forms to his employer, which claimed he was exempt from income tax withholdings. He also liquidated his retirement account without having any taxes withheld. Maken received about \$70,000 in 1994 and had a tax due and owing of over \$23,000.

In addition, the government introduced evidence that Maken was involved at the time with anti-tax organizations such as Our One Supreme Court and the Freedom Connection, both now defunct. In convicting Maken, the jury rejected his defense that he believed the federal income tax laws did not apply to him.

At the sentencing hearing, evidence showed that Maken had not filed federal or state income tax returns from 1993 through 2004, and that he had not paid any federal or state income tax during those years. Maken at various times claimed that the tax laws were invalid, that the laws of the United States did not apply to him, that the federal government and the federal courts had no jurisdiction over him and his actions, and that the tax laws did not require him to file income tax returns.

Assistant Attorney General O'Connor said: "Tax crimes are not victimless crimes. The honest taxpayers of this district and elsewhere are victims whenever dishonest individuals fail to report fully their income and thus pay the taxes they owe to the U.S. Treasury. The investigation

and prosecution of tax crimes places an enormous burden on the government, including the courts. It is the government's desire to promote compliance with the tax laws by demonstrating that tax fraud is a serious crime. While most Americans are honest taxpayers who comply with the internal revenue laws, there are some who believe that they can get away with tax fraud because it is worth the risk. When tax evasion schemes, such as the one in which the defendant was engaged, are uncovered, those tax evaders must be prosecuted vigorously so that others who may be contemplating similar schemes are deterred."

Lockhart commended the special agents of the Internal Revenue Service, Criminal Investigation who investigated the case and U.S. Department of Justice Tax Division attorneys Richard M. Rolwing and Shawn T. Noud, who prosecuted the case.

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